

Item: RESO 08-270  
Fiscal Impact: \$72,955.79  
Funding Source: Class "C" Road Funds  
Account #: 11 7581 40740  
Budget Opening Required: No

**ISSUE:**

Authorization to purchase one (1) 2003 928G Cat Front End Loader from Caterpillar Financial Services Corporation for use by the Operations Division of the Public Works Department.

**SYNOPSIS:**

This resolution authorizes the purchase of one (1) 2003 928G Cat Front End Loader per the attached documentation.

**BACKGROUND:**

The City has a long term rental agreement with Caterpillar Financial Services Corporation which terminates on November 10, 2008. The leased equipment, is a 2003 928G Cat Front End Loader. The lease provides an option to purchase the above described equipment for the amount of \$72,955.79. Public Works Department would like to exercise the option to purchase this equipment for use by the Operations Division of the Public Works Department.

It has been determined that it is in the best interests of the City to purchase this equipment rather than lease a new loader. The cost of leasing new equipment would be nearly double the cost of the current lease. This equipment is in excellent condition and the purchase price is in line with comparable used equipment.

**RECOMMENDATION:**

Approve purchase one (1) 2003 928G Cat Front End Loader from Caterpillar Financial Services Corporation for use by the Operations Division of the Public Works Department.

**SUBMITTED BY:**

Russell B. Willardson, P.E., Public Works Director